

# Consumer Alert

Federal Trade Commission ■ Bureau of Consumer Protection ■ Office of Consumer and Business Education

## Traveler's Advisory: Get What You Pay For

Whether you're planning to sun on the shores of Maui or ski the slopes of Zermat, it's wise to be an informed travel shopper. To help you avoid unpleasant and costly surprises, the Federal Trade Commission offers these tips.

- *Buy vacation travel from a business you know.* Deal with members of a professional association such as the American Society of Travel Agents, the National Tour Association or the United States Tour Operators Association. If you're not familiar with a company, get their complete name, address and local telephone number. Be wary if the names of the seller and travel provider differ. You may be dealing with a telemarketer who has no further responsibility to you after the sale. Also, avoid buying from a firm that wants to send a courier for your payment or asks you to send your payment by overnight delivery. The business may be trying to avoid detection and charges of mail or wire fraud.
- *Verify arrangements before you pay.* Get the details of your vacation in writing and a copy of the cancellation and refund policies. Ask if the business has insurance and whether you should buy cancellation insurance. Get the names, addresses and telephone numbers for the lodgings, airlines and cruise ships you'll be using. Don't accept vague terms such as "major hotels" or "luxury cruise ships." Call to verify your reservations. Use a credit card to make your purchase. If you don't get what you paid for, you may be able to dispute the charges with your credit card company. However, don't give out your account number over the phone unless you know the company is reputable. Some telemarketers may claim they need your account information for identification or verification. They don't. Your account number should be used only to bill you for goods and services.
- *Be wary of prepaying for multiple years.* Timeshares, campgrounds or travel clubs may offer to sell membership vacation accommodations for five years or more, or until you resell your interest. Unless you're certain you'll stay healthy, both physically and financially, and that the company selling the memberships will stay solvent and in business, prepaid vacations may not be right for you. In addition, annual membership and maintenance fees may rise. If the seller claims the fees will stay the same, beware. Beautiful properties today may be run-down in five or 10 years without sufficient maintenance. If you decide to buy a timeshare or membership in a vacation club, be aware that resales are difficult if not impossible because there's no secondary market. As for timeshares as investments: they rarely appreciate in value.
- *Learn the vocabulary.* "You have been specially selected to receive our SPECTACULAR LUXURY DREAM VACATION offer" doesn't mean you'll get a free vacation. It means you'll be *offered an opportunity* to pay for a trip that may fit your idea of luxury — or not. "Subject to availability" means you may not be able to get the accommodations you want when you want them. "Blackout periods" are blocks of dates, usually around holidays or peak season, when no discount travel is available.
- *Watch out for "instant travel agent" offers.* Companies offer to sell you identification that will guarantee you discounted rates. These companies have no control over discounts. Only suppliers of travel — cruise lines, hotel companies, car rental companies, or airlines — can decide to extend professional courtesies — and to whom.

For more information, visit the FTC web site at [www.ftc.gov](http://www.ftc.gov), or contact NTA at 1-800-755-TOUR ext. 382 or [www.ntaonline.com](http://www.ntaonline.com) on the Web.